7-1944

Citizens Trust Passes Million And Half Mark

Daily World- Atlanta, Ga.

1-9-44

As shown by its financial statement elsewhere in this issue of the WORLD, the assets of Citizens Trust Company at December 31, stood at something more than $1,547,000.00, invested heavily in bonds of the United States Government and cash.

While the bank has gone "all out" in its cooperation with the United States Treasury Department, it has not forgotten the needs of its customers. Loans to customers of the bank at the close of the year amounted to more than $300,000.00.

INCREASING ACCOUNTS

The officers of the bank report that the depositors and borrowers, on the whole, are following sound policies. They are increasing their accounts and are reducing their loan lines. The improved employment situation, and the determination of these people to emerge from the war period better off, economically, than when they entered it are responsible for this trend. **They are determined that they shall not find themselves in the average worker's predicament at the close of World War I.**

It has been necessary for the bank to expand its personnnel. An additional teller's window has been put into service to meet increased activity in the bank's work.

The officers further reveal that every department has shown improvement with Safe Deposit Box rentals reaching an all time high, a good index of better general conditions for the average man.

RECEIVE U. S. TAXES 1-9-44

In addition to War Bond sales, participation in public subscriptions to other U. S. Government bonds, and Ration Banking, Citizens Trust Company now receives Federal withheld taxes from employers who are required to make such collection. In fact, there is no essential bank service which is not now rendered at the institution.

U.S. SHOWS GAIN OF LOAN FIRMS

Defender- Chicago, Ill 2-19-44

WASHINGTON.—Lending institutions operated by Negroes show an appreciable progress made in 1942, with a trend upward recorded in assets and substantial gains made in combined surplus, reserves and undivided profits.

This is revealed in the first annual report on the financial condition of these institutions, released this week by the U. S. Department of Commerce. The statement was prepared by Emmer Martin Lancaster, special adviser to the secretary of commerce on Negro affairs.

Over 2 Million Assets

The aggregate assets of 19 associations at the close of the past year, is reported as $2,404,522. Compared with the total assets of 20 reporting institutions for the previous year, this sum represents a gain of $138,953 or 6.1 per cent.

Their home financing operations indicate a growing activity in the field of mortgage lending. First mortgage loans totaled $1,938,096, an increase of $76,853 and a percent gain of 4.1 over the preceding year. Consistent with the general policy of lending institutions to reduce their junior mortgage loan portfolios, the junior lien and share account declined 13.3 per cent. The decrease in share loans is no doubt a reflection of increased employment and income, stimulated by the wartime economy. 2-19-44

A problem peculiar only to Negro operated associations arises with reference to junior mortgages on real estate. Lending associations other than those operated by Negroes, effectuated a general policy of devaluating Negro owned real estate, for mortgage loan purposes, on the basis of race; consequently Negro home owners in many instances are unable to refinance their homes with a loan comparable to that of other citizens.

The tendency to "write down" the value of Negro property places a burden of Negro-operated institutions to assist by negotiating secondary mortgages to prevent possible loss of property. As a result of this situation the liquidation of junior mortgages has not been accelerated in any great degree.

Institutions Federalized

Nine institutions have been admitted to membership in the Federal Home Loan Bank System, are the following: The Atlanta Mutual Building Loan & Savings Association, Atlanta; Berean Savings & Loan Association, Philadelphia; Columbia Savings & Loan Association, Milwaukee; Illinois Federal Savings & Loan Association, Chicago; Liberty Building-Loan Association, Los Angeles; Mutual Building & Loan Association, Durham, N.C.; New Age Building & Loan Association, St. Louis; People's Building & Loan Association, Hampton, Va., and Tuskegee Savings & Loan Association, Tuskegee, Ala.

WE NEED BANKS

Defender-Chicago, Ill.

Business could not survive if it weren't for banks, nor could many new enterprises be created. For banks are the heart of the business organism. Through them a steady stream of sustaining credit flows. 2-19-44

Yet Negro business men have sadly neglected to develop this type of institution. If we take a look over the country, we will find several Negro owned banks specializing in the credit needs of colored business. But unfortunately they are altogether too few. And in most of the large northern cities where there is a heavily concentrated population of colored people, there are none at all.

Take Chicago for instance: With approximately three hundred thousand Negroes there is not one single bank owned by them. Still this is a city which pulsates from business activity. Here are located million dollar insurance companies, powerful newspapers, stores and even some small scale industries. All owned and controlled by men of our race.

But if their owners were to go to the big downtown banks, where incidentally millions of dollars are deposited annually by colored citizens, asking for credit for additional expansion, few would be accommodated. In this way business progress is stifled. And all we do is groan and complain because other racial groups with more money for capital move into our areas and gobble up opportunities for new ventures.

It is true that we had two banks here on the southside and they failed during the depression. But didn't this happen to big white institutions all over the country? That's the reason that the banking law which protects deposits up to five thousand dollars was passed.

White banks have bounced back, however. White capital, ever courageous, reinvested and now their banks are on a sounder, firmer basis than before. But in place of the colored ones there is nothing but a few currency exchanges. 2-19-44

We have the men with money; there is certainly the need. There is only one question. Do our men with means have the courage, imagination and vision to pool their resources to create this necessary institution?

Philly Leads the Nation in Building-Loan Associations

Afro-American-Baltimore, Md.

2-19-44

WASHINGTON

Five of the nineteen building and loan associations listed by the Department of Commerce in its first annual report on lending institutions are located in Philadelphia.

The report states that these nineteen associations have assets of nearly 2½ million dollars, loans of nearly 2 million and paid dividends of $26,000.

Hampton's Largest

The nation's largest lending institution is the People's Building and Loan Association of Hampton, which has assets of $504,539 and paid dividends of $12,242 last year.

The second largest is the Mutual Building and Loan Association of Durham, with assets of $383,000. It paid no dividends last year.

The third largest is Berean Building and Loan Association of Philadelphia, with assets of $335,000. It paid dividends of $1491.

Others in East

Other building and loan associations located in the East include the following:

Beckley, W.Va., assets, $8,559; Calvary Building and Loan, Philadelphia, assets, $34,559, dividends, $4,000; 8th Ward Settlement Building and Loan Association, Philadelphia, assets, $33,000, dividends, $3,000; LaMott (Pa.) Building and Loan Association, assets, $26,000, dividends, $4,164; St. Mark's Building and Loan Association, Philadelphia, assets, $23,000, no dividends; Zoar Community Building and Loan Association, Philadelphia, assets, $36,000(no dividends.

Seven Paid Dividends

Only seven of these associations in the United States pay dividends and four of the seven are in Philadelphia.

Active concerns other than those included in the analysis include Bardun Mortgage Company, Cleveland, Ohio; Wilson and Wilson, Baltimore; and Mutual Savings and Loan Company, Charleston, W.Va.

National Asso. Recommended

The Commerce Department recommends that the building and loan associations should form a national organization similar to the National Negro Insurance Association and the National Negro Bankers' Association.

Its purpose would be to plan activities, discuss financing and housing problems and enlist the services of the Federal Home Loan Bank System in the interest of non-member associations.

A present only nine of the nineteen loan associations have been admitted to membership in that system. 2-19-44

Among those nine in the East are:

People's Building and Loan Association, Hampton; Mutual Buliding and Loan Association. Durham, and Berean Building and Loan Association, Philadelpria.

Citizens Trust Company Passes 2 Million Mark

Daily World- Atlanta, Ga.

In the semi-annual statement of Citizens Trust Company as called for by Bank Supervisory Authorities and just released for publication an outstanding period of growth is very evidently recorded. The figures show a gain of close to a million dollars in the 6 month period with a rush to nearly two and one half million. 7-16-44

Holdings of U. S. Government securities have passed the million mark and both loans and cash reserves have moved up appreciably.

The officers of Citizens Trust Company reveal that the number of new accounts opened during the six month period exceeded six hundred.

It was further learned that the bank has turned in a commendable record in War Bond sales, and cooperation with the Treasury Program. The officers of the bank expressed the view that most gains have come from new customers who are determined that they will prepare for the post war period. Atlanta wil probably fare better than most cities after the War since its industrial expansion was started long before the War.

7-1944

D. C. Industrial Bank In 10th Year

Defender — Chicago, Ill.
8-26-44

WASHINGTON — (ANP) — Celebrating its tenth anniversary last Saturday, the Industrial bank of Washington, largest and youngest Negro-owned and operated bank in the country, looks forward to a goal of $10,000,000 resources in the next decade.

The institution opened its doors on August 20, 1934, with less than $300,000 at a time when the nation was in the depths of a depression. Prior to then two Negro banks in the community had closed.

Its capital structure under President Jesse H. Mitchell has increased over 125 per cent in the past 10 years.

8-26-44

During the war the institution has sold to the public over a million and a half dollars in war bonds.

NEGRO BANKING

Age — New York, N.Y.

THE steady and consistent growth of banking institutions owned and operated by Negroes is reflected in the fourth annual report of their financial activities recently released by the Department of Commerce.

According to a business analysis by Emmer Martin Lancaster, Special Adviser to the Secretary, increases were registered in most of the Negro banks for the year 1943. Resources ascended to a new total of $15,175,983, an increase over the previous year of $4,134,009—37.4 per cent, the largest dollar volume and percentage gain during any of the comparative years.

8-26-44

The marked increase in liquid resources is the outstanding feature of the report. Their portfolio of United States Government obligations totals $6,583,593 and represents 43.3per cent of their resources as compared with 31.5 per cent for 1942, 16.2 per cent for 1941 and 12.3 per cent for 1940. The cash account amounting to $4,926,610 has gained steadily since the 1940 total of $2,002,685. These combined accounts, cash and Government obligations, aggregating $11,510,203, constitute 75 per cent

Of particular interest in Mr. Lancaser's report is the fact that the liquid position of Negro banks is further accentuated by comparison with all banking institutions in which the percentage of cash and Government obligations to resources of Negro owned banks slightly exceeds that of the other institutions.

8-26-44

Executives of our Negro banks are doing an admirable job and are to be commended for the excellence of their performances.

Bank Prexy Celebrates 91st Year

Tribune — Philadelphia, Pa.
5-20-44

Major Richard Robert Wright, president of the Citizen & Southern Bank and Trust Company, 19th and South streets, received felicitations on his 91st birthday Tuesday from fourteen bank presidents.

Among them were: James E. Gowen, Girard Trust Company; R. Livingston Sullivan, Market Street National Bank; Percy C. Madeira, Jr., Land Title Bank and Trust Company; Harry C. Carr, First National Bank; P. Blair Lee, Western Saving Fund Society; W. Logan McCoy, Provident Trust Company, and Evan Randolph, Philadelphia National Bank.

LENDING INSTITUTIONS OPERATED BY NEGROES

April - 44

Supreme Liberty Guardian
Chicago - Illinois

The Department of Commerce released today the 1st Annual Report f Lending Institutions operated by Negroes. An analysis of their combined statement of condition, prepared by Emmer M. Lancaster, Special Adviser to the Secretary o Commerce on Negro Affairs, reveals appreciable progress in their operations for the year 1942. The trend of their assets is upward; substantial gains are noted in combined surplus, reserves, undivided profits; share capital investment increased and their liquid position registers definite improvement over the past year's total.

The aggregate assets of 19 associations at the close of the past year, is reported as $2,404,522. Compared with the total assets of 20 reporting institutions for the previous year, this sum represents a gain of $138,953 or 6.1 percent.

Their home financing operations indicate a growing activity in the field of mortgage lending. First mortgage loans totaled $1,938,096, an increase of $76,853 and a percent gain of 4.1 over the preceding year. Consistent with the general policy of lending institutions to reduce their junior mortgage loan portfolios, the junior lien and share account declined 13.3 percent. The decrease in share loans is no doubt a reflection of increased employment and income, stimulated by the wartime economy.

April - 1944

A problem peculiar only to Negro operated associations arises with reference to junior mortgages on real estate. Lending associations other than those operated by Negroes, effectuated a general policy of devaluating Negro owned real estate, for mortgage loan purposes, on the basis of race; consequently Negro home owners in many instances are unable to refinance their homes with a loan comparable to that of other citizens. The tendency to "write down" the value of Negro property places a burden on Negro operated institutions to assist by negotiating secondary mortgages to prevent possible loss of property. As a result of this situation the liquidation of junior mortgages has not been accelerated in any great degree.

The growth of liquid resources during the past year is not encouraging. Their cash position advanced from $98,107 to $158,961, an increase of 62 percent and the United States War Bond account rose to $56,359 as compared to $9,100 for the preceding year. This increase of cash and Government securities totals 575.9 percent, a rise of $108,033 and constitutes the largest percentage ascent of any group of items in the combined statement of condition.

Real estate other than the associations' office buildings, was reduced 51.8 percent. This gradual liquidation of "other real estate," which is accord with the policy advocated by the Federal Home Loan Bank Board, is evidence of sound operations and the general trend of all lending institutions. Income therefrom has been used to strengthen their liquid position and improve their reserve accounts.

Savings and investment share accounts amounted to $1,734,438, an excess of $152,202—9.6 percent over the amount reported by twenty associations during 1941. Legislative restrictions on home construction, except for essential war housing, curtailed home financing activities and influenced the reduction of advances and loans in process. Combined surplus, reserves and individual profits totaled $451,039, exceeding the 1941 total, 16 percent.

During the early years of the depression, Negro home owners were sufferers of acute housing conditions and the limited resources of lending institutions operated by Negroes were incapable of relieving the strain or providing adequate housing relief. This condition was improved by the creation of the Home Loan Bank System which established a reservoir of credit for thrift and home financing institutions. Fortunately this reform in the field of home finance proved to be the most helpful source from which Negro operated associations could secure advances to expand their lending operations for the best interests of Negro homeowners.

Supreme Liberty
Guardian Chicago

Nine institutions have been admitted to membership in the Federal Home Loan Bank System.

The Atlanta Mutual Building Loan and Savings Association, Atlanta, Georgia.

The Berean Savings & Loan Association, Philadelphia, Pennsylvania.

Columbia Savings & Loan Association, Milwaukee, Wisconsin.

Illinois Federal Savings & Loan Association, Chicago, Illinois.

Liberty Building & Loan Association, Los Angeles, California.

Mutual Building & Loan Association, Durham, North Carolina.

New Age Building & Loan Association, St. Louis, Missouri.

The People's Building & Loan Association, Hampton, Virginia.

4-1-44

Tuskegee Savings & Loan Association, Tuskegee, Alabama.

Their statutory borrowing limit, generally defined "as the amount for which an association can legally obligate itself, or, in the absence of a legal limit, as the equivalent of 50 percent of the instution's net assets," aggregates $868,697. Their investment in the capital stock of Federal Home Loan Banks, a requirement for membership in the System, amounts to $23,600. Advances to seven of these institutions for the year 1941, and to six members for the year 1942, were $126,940 and 104,880, respectively. The actual line of credit allowable to these associations is not confined exclusively to the legal borrowing limit, equally essential are their financial condition and adequacy of collateral.

4-1-44

With the exception of the Atlanta Mutual Building Loan and Savings Association, New Age Building and Loan Association and Peoples Building and Loan Association, all other member institutions of the System are also insured members of the Federal Savings and Loan Insurance Corporation. This Agency was created June, 1934, under Title IV of the National Housing Act, principally to instill public confidence in savings and loan associations. The savings and earnings of each investor deposited in the six Negro member insured institutions are protected to a maximum of $5,000. In this respect the Federal Savings and Loan Insurance Corporation is companionable to the Federal Deposit Insurance Corporation.

4-1-44

Special surveys relating to housing demonstrate, that post war demands in the field of home construction and financing will tax the resources of all mortgage-lending institutions. The acuteness of the housing situation particularly in large cities, if allowed to continue without planned direction, will effect the morale of the Negro people tremendously. Thus a burden is placed upon Negro operated associations to draft plans for an alleviation thereof and to stimulate similar action by Government or other sources.

April - 44

A national organization, comprised of building and loan associations should be formed with promotional features similar to the National Negro Insurance Association and the National Negro Bankers' Association. Its general purpose should be to administer planning activities during and after the war, discuss special financing and housing problems peculiar to Negroes and enlist the services of the Federal Home Loan Bank System in the interest of non-member associations. Aside from the advantages of securing advances for home financing and construction, membership in the Federal Home Loan Bank System assures to a member association, prestige and protection, improved investment practices, modern financing methods and increased community confidence not otherwise obtainable. In addition, if earning capacity and eligibility will warrant membership in the Federal Savings and Loan Insurance Corporation, immediate action in that direction should be undertaken.

4-1-44

A comparison between the statements of condition of member institutions of the System and non-member associations, as recorded in Table II, clearly indicates the predominance of the former group.

4-1-44

The combined statement of condition of seven reporting personal finance and investment corporations shows total assets of $159,366; investments, including United States War Bonds and Stamps of $9,365, and total net worth of $139,676. Specific operations of these corpor-

ations are confined to personal loan activities, discounting of commercial paper, funeral financing, currency exchange, and mortgage investments. April-44

Active concerns other than those included in the analysis are the Bardun Mortgage Company, Cleveland, Ohio; Wilson and Wilson, Baltimore, Maryland; The Douglas Realty and Finance Company, New Orleans, Louisiana; Pyramid Building and Loan Association, Chicago, Illinois, and the Mutual Savings and Loan Company, Charleston, West Virginia.

THE DEPARTMENT OF COMMERCE. WASHINGTON.

Negro bank

Tribune — Los Angeles, Calif.

The report that he would lead a group of his followers in the organization of a Negro bank, was confirmed here this week by the Rev. Clayton D. Russell, pastor of the People's Independent Church of Christ, probably the best known Negro church in Los Angeles. Frankly impressed by the success of his group in the operation of five "Victory Markets" in various parts of the city and a farm, producing for the markets, the Rev. Russell displays typical assurance in venturing into the even more complex field of banking.

We discuss this new venture, not with any intention of disapproving of it, nor of applauding it, but merely as one of the passing points of interest in our community life. Knowing little about banks, we are frankly ignorant as to the necessary ingredients for starting one; and we are equally unaware as to what qualifications the Rev. Russell and those with him in this move possess for such an undertaking. 10-16-44

If we have any advice to give, it would be the one word, Caution; urged upon the Rev. Russell and "banking company", and the public alike.

It is no longer possible to scoff at the leadership of the Rev. Russell. Since his precipitation, by the death of his mentor, the wise and venerable founder-pastor of Independent church, the Rev. N. P. Greggs, into a position of prominence achieved by few men even after decades of work, he has been a focal point of all degrees of opinion.

Spectacular, unconventional, energetic, he has been suspected of insincerity, accused, with some justice, of demogoguery, sneered at as a "flash in the pan"; nevertheless, he has continued to prosper and has persisted in his leadership until he has possibly the largest individual following of any leader, religious or otherwise, in Los Angeles.

This newspaper which has been the most open and insistent critic of the Rev. Russell has no new view divergent from previous observation, in regard to his aims and personality. But we do take the position that it is no longer possible to dismiss him lightly. He is to be reckoned with; his leadership is to be reckoned with and far more important than that, he, himself, must in the sanctum of his conscience, reckon with the power which certain attributes of personality, coupled with good fortune and a people's need give him. 10-16-44

Nobody, it has been proven, can safeguard the people who trust him, from misleadership, either deliberate or chance, but the Rev. Russell. He, alone, knows if he is sincere, capable and guided by the best possible interests. If at any time he should fail, if in this newest venture, he should fail, the failure would be much more than a personal defeat; it would involve a serious frustration of the faith of a particularly unsophisticated, trustful and generous segment of the community's population..

Citizens Bank Buys
$1,500,000 Bonds

PHILADELPHIA, Pa.--Major
R. R. Wright, Sr., President
of the Citizens and Southern
Bank and Trust Company, announced last week that since the
Citizens "Real" started on
April 1st, or, to date it has
purchased a total of $1,500,000
of Real Estate Bonds, which
sold through its private chan-
nels more than $1,500,000 worth
of bonds to depositors and
friends of the Citizens thro-
ughout the city.

This is a very
unusual record for
the first three months,
that any bank has
shown, and we are
glad to bring the
facts to the attention
of our readers,"
said Mr. Wright.

The venerable financier,
is President of the National
Negro Bankers Association, also
announced that two weeks ago,
during the Third Term of the
South Wide Drive, the Citi-
zens and Southern Bank and
Trust Company purchased $20,-
000 worth of bonds in Philadel-
phia, and $20,000 worth of bonds
at a similar rally in Pitts-
burgh.

The Citizens and Southern Bank
Bank located at 11th and South
Streets, Philadelphia, is the
only bank and trust company
owned and operated by negroes
north of the Mason and Dixon
line.

Journal & Guide-Norfolk,
3-11-44 Va.

7-1944

Credit Union

SUPREME LIBERTY FEDERAL CREDIT UNION

Under supervision of the Federal Deposit Insurance Corporation

Supreme Liberty Federal Credit Union
Chicago, Illinois
April - '44

The Employees Bank
3501 SOUTH PARKWAY
Organized Aug. 6th, 1937

In war and peace your Credit Union helps its members make headway on the economic front by providing loans at low costs, for all beneficial purposes. Your regular savings make this possible. When you need a loan, remember that your Credit Union is at your Service.

GROWTH IN DEPOSITS

December 31st, 1937 $200.25

December 31st, 1938 $393.02

December 31st, 1939 $669.27

Save at 4% Safe — **Borrow at 1% Sound**

December 31st, 1940 $1,708.20

December 31st, 1941 $2,243.09

December 31st, 1942 $2,734.00

December 31st, 1943 $3,605.98

Loaned since organization	$29,055.21
Loans charged off since organization	34.60

1943 ANNUAL REPORT
SUPREME LIBERTY FEDERAL CREDIT UNION

BALANCE SHEET

ASSETS

Loans (Security, Notes & Assignments)	$3,414.09
Cash (In bank and on hand)	721.92
Total	$4,136.01

4-1-44

LIABILITIES

Shares (Members' deposits)	$3,605.98
Reserve for Bad Loans	248.26
Undivided Profits	281.77
Total	$4,136.01

PROFIT AND LOSS STATEMENT

INCOME

Interest Received (Paid at rate of 1% per month on outstanding loan balances)	$356.04
Total	$356.04

EXPENSES

Treasurer's Salary	$ 82.12
Stationery, postage, office supplies	27.05
Educational Expense (Annual Meeting, Literatures, etc.)	29.32
Examination Fees (Paid Federal Deposit Insurance Corp.)	7.25
Supervisory Fee (Paid Federal Deposit Insurance Corp.)	10.00
Miscellaneous Expense	5.00
Transferred to Undivided Profits	195.30
Total	$356.04

SUPERVISORY COMMITTEE
Carolyn Twyne
Earl Ormes
Gertrude Richardson

OFFICERS
Robert M. Turner, President
Helen A. Johns, Vice-President
Melba A. Greene, Clerk
Gertrude P. Hopson, Treasurer

CREDIT COMMITTEE
Edgar A. Hawley, Chrm.
Myrtle K. Brown
P. M. Gant, Sr.

DIRECTORS
Robert M. Turner
Helen A. Johns
Melba A. Greene
Gertrude P. Hopson
I. D. Durham
F. D. Jackson
Edgar A. Hawley

This is a splendid record, and your Officers, Directors, and Committee Members are proud to have been able to serve you.

"Not for Profit—Not for Charity—But for Service"